

PROPRIETARY MATERIAL BETWEEN ASTERISKS HAS BEEN DELETED

**Before
The Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Unbundled Access to Network Elements)	WC Docket No. 04-313
)	
Review of the Section 251 Unbundling)	CC Docket No. 01-338
Obligations of Incumbent Local Exchange)	
Carriers)	

**REDACTED
AFFIDAVIT OF
KATHY HAGANS**

1. My name is Kathy Hagans. I am employed by the Office of the Ohio Consumers' Counsel ("OCC") as a Principal Regulatory Analyst. During my tenure at the OCC, my responsibilities have included research, investigation in proceedings at the Public Utilities Commission of Ohio ("PUCO") and the Federal Communications Commission ("FCC") involving gas, electric, water and telecommunications companies. I currently specialize in telecommunications. I have filed testimony and affidavits in various PUCO proceedings.
2. I earned a Bachelor of Science degree from The Ohio State University in 1982 and a Master of Business Administration from Ashland University in 1999.

3. I participated and filed testimony in PUCO Case No. 03-2040-TP-COI, *In the Matter of the Implementation of the Federal Communications Commission's Triennial Review Regarding Local Circuit Switching in the Mass Market* ("03-2040"). In Phase I of this proceeding, in its Opinion and Order, the PUCO determined, on a tentative basis, how markets should be defined.¹ I also participated in Phase II of this proceeding where the PUCO bifurcated the case between the impairment analysis for SBC Ohio and Cincinnati Bell Telephone Company ("CBT"). I prepared but did not file testimony in Case No. 04-34-TP-COI, *In the Matter of the Implementation of the Federal Communications Commission's Triennial Review Regarding Local Circuit Switching in SBC Ohio's Mass Market* ("04-34"). These proceedings were in response to the FCC's *Triennial Review Order* ("TRO").²
4. I am providing this affidavit to present factual information from Case Nos. 03-2040-TP-COI and 04-34-TP-COI. I reviewed and analyzed numerous documents relating to the definition of geographic markets and the extent of impairment for SBC Ohio.

¹ PUCO Case Nos. 03-2040-TP-COI, 04-34-TP-COI and 04-35-TP-COI, Opinion and Order, dated January 14, 2004. [http://dis.puc.state.oh.us/CMPDFs/SIY7\\$JQHWDI6IL\\$W.pdf](http://dis.puc.state.oh.us/CMPDFs/SIY7$JQHWDI6IL$W.pdf)

² *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, Deployment of Wireline Services Offering Advanced Telecommunications Capability*, CC Docket Nos. 01-338, 96-98, 98-147, Report and Order and Order on Remand and Further Notice of Proposed Rulemaking, 18 FCC Rcd 16978 (2003) ("*Triennial Review Order*"), corrected by Errata, 18 FCC Rcd 19020 (2003).

GEOGRAPHIC MARKETS – PHASE I

5. In Phase I of 03-2040, the PUCO addressed the appropriate geographic market for both SBC Ohio and CBT for use in determining whether competitive local exchange carriers (“CLECs”) in a given market were impaired without access to local circuit switching.
6. SBC Ohio had proposed the use of Metropolitan Statistical Areas (“MSAs”) for use as the geographic markets in which impairment or non-impairment would be determined. SBC Ohio challenged the FCC’s national finding of impairment for its central offices located in five MSAs: Akron OH, Cleveland/Lorain/Elyria OH, Columbus OH, Dayton OH, and Toledo OH.³ It was unclear what SBC proposed with regard to the balance of its service territory.

Local Calling Analysis

7. In order to assess the extent of local calling among each exchange included in the five MSAs, I prepared Attachment KLH-1. Included in this attachment is a list of SBC Ohio exchanges containing central offices in each of the five MSAs. For purposes of this analysis, I used the post-June 2003 MSAs identified by the United States Office of Management and Budget (“OMB”) where Dayton OH and Springfield OH are separate MSAs.
8. The fourth column of Attachment KLH-1 includes a determination of the type of local calling into the metro exchange of each MSA. Local calling is where calls

³ PUCO Case No. 03-2040-TP-COI, SBC Ohio Petition. SBC Ohio’s Petition included Clark County, which contains the Springfield exchange, in the Dayton OH MSA and was based on pre-June 2003 MSAs identified by the United States Office of Management and Budget. The post-June 2003 identification of MSAs splits the former Dayton OH MSA into a Dayton OH MSA and a Springfield OH MSA.

are made without a toll charge. Section 4901:1-7(K) Ohio Admin. Code states
“‘Local calling area’ means that area within which a subscriber may complete
telephone messages to another subscriber without being assessed message toll
service charges for each message.”

9. Local calling areas can be expanded through the Extended Area Service (“EAS”) process. When one exchange is granted EAS with another exchange, those exchanges are each included in the others’ local calling area.⁴ Calls made between the two exchanges are then considered local calls. EAS can be granted on either a flat rate or measured rate basis. The type of EAS granted by the PUCO depends on many factors relating to community of interest. If the PUCO finds a sufficient community of interest exists between the exchanges, EAS will be granted and the local calling areas will be expanded.
10. For purposes of Attachment KLH-1, I identified the SBC Ohio exchange within each MSA that included the major metropolitan area. Those “metro exchanges” are Columbus, Dayton, Springfield,⁵ Cleveland, Toledo and Akron. For all other exchanges in each MSA, I determined whether the exchange had flat rate, measured rate, or no local calling to the metro exchange.
11. As can be seen from Attachment KLH-1, of the 78 SBC Ohio exchanges containing a central office (not including the metro exchanges) in the six MSAs, 56 have flat rate calling to the metro exchange. The other 22 exchanges have

⁴ This example is for simplicity. There are instances when the PUCO grants one-way EAS where Exchange A has its calling area expanded to include Exchange B, but not vice versa.

⁵ SBC Ohio ultimately withdrew its challenge of impairment for the Springfield MSA.

either measured rate calling or no local calling at all to the metro exchange.

Attachment KLH-1 shows the 56 exchanges with flat rate calling to the metro exchange in boldface.

12. The distinction between flat rate calling to the metro exchange and measured rate or no local calling to the metro exchange is that flat rate calling allows the customer to make unlimited calls to another exchange within a local calling area for no additional per-call charge. In contrast, with both measured rate local calling and no local calling at all, the customer pays additional charges for each call made. Measured rate local calling is a usage sensitive service where the customer pays additional charges for each call made to another exchange within a local calling area. When there is no local calling at all to another exchange, the customer pays toll charges for each call made to that exchange because it is not within the customer's local calling area.⁶
13. Another distinction is the extent to which a community of interest is found in the EAS process. It is the extent of the community of interest found by the PUCO that dictates whether it approves the expansion of the local calling area and, if the calling area is expanded, the type of calling.
14. If the PUCO determines a lack of community of interest between two exchanges, the local calling area will not be expanded and calls remain toll calls. If the PUCO determines a community of interest exists, it has some discretion in determining

⁶ Unless the customer is enrolled in an "all distance" plan with a toll provider, whereby toll calling is charged via a flat rate or a block of time for toll calls, that is billed as a flat rate. However, even with these types of toll arrangements, the customer is paying more than the cost of flat rate local service.

whether or not the calling area should be expanded and if so, whether the type of calling should be flat rate or measured rate. In exercising this discretion, the PUCO considers the relative strength of the community of interest found. Generally, as the level of community of interest increases, so does the relief in terms of expansion of the local calling area and type of calling approved.

15. By way of example, if the community of interest is found to be very strong, the PUCO's rules allow for a rebuttable presumption that some form of EAS is warranted. The PUCO must then determine whether to approve flat rate or measured rate calling. On the other hand, if the level of the community of interest is weaker, the PUCO may or may not approve the expansion of the local calling area, and if it does, it may approve either measured-rate service with a relatively weak level of community of interest or flat rate service with a somewhat stronger community of interest. See Ohio Admin. Code 4901:1-7-03(B)(1)(d)(iv).

Business and Residence Rate Structure

16. In the determination of the appropriate markets for impairment, I also analyzed the rate structures of SBC Ohio and CBT residence and business rates.⁷ SBC Ohio's residence retail basic local exchange service ("BLES") rates are structured to include charges for the Network Access Line and charges for Local Exchange Usage. All residential customers pay \$6.50 for Network Access Lines. This amount includes a \$4.40 per line Network Access charge and a \$2.30 per line

⁷ Tariffs for both SBC Ohio and CBT accessible at
<http://www.puco.ohio.gov/puco/docketing/tariffs.cfm?industry=LEC>

Central Office Termination charge.⁸ In addition, customers may choose from four Local Exchange Usage options.

17. SBC Ohio customers can choose from Measured Rate Service whereby local usage charges are based on the number, distance, duration and time of day of calls; Minute Line Service whereby local usage charges are based on the duration and time of day of calls;⁹ Message Rate Service whereby local usage charges are based on a fixed monthly usage charge for an allowance of local usage (30 messages) and additional usage charges for all usage over the allowance; and Flat Rate Service whereby a flat usage charge covers an unlimited amount of local messages. The substantial majority of SBC Ohio residential customers subscribe to Flat Rate Service.
18. In contrast, SBC Ohio's non-residence retail BLES rates are structured to include charges for the Network Access Line and charges for Local Exchange Usage. However, unlike the residence Network Access Line charge, the non-residence Network Access Line charge varies depending on the access area where the non-residence line is located. In Access Area B the rate is \$15.95, in Access Area C the rate is \$17.95, and in Access Area D the rate is \$20.45. The Central Office Termination charge is \$2.30 for all access areas.

⁸ The Network Access Line charge for residential customers does not vary based on the access area where the customer is located.

⁹ This service is offered where facilities and conditions permit and is only available to residence customers subscribing to SBC Ohio's Message Toll Service as set forth in Part, 9, Schedule C of SBC Ohio's tariff.

19. Also, unlike SBC Ohio residential customers who have four usage options to choose from, non-residential customers have only two options to choose from. Non-residential customers can choose from either measured or message usage options. They do not have a flat rate option.
20. Thus, while the structure of SBC Ohio residence and non-residence BLES retail rates includes both a Network Access Line component and a Local Exchange Usage component, there are several important differences. Whereas residential customers' retail rates do not vary based on access area, non-residence customers' rates vary depending on the access area in which the line is located. In addition, unlike residential customers, non-residential customers do not have the choice of flat rate service. Finally, the total monthly charge for residential flat rate service is \$14.25 for the Network Access Line and Local Exchange Usage. This total is less than the retail rate for the Network Access Line piece only (without any usage) of local service for non-residential customers, which ranges from \$18.25 to \$22.75. The difference is even larger when adding the Message Rate Service usage component¹⁰ for a non-residence customer. Adding this usage to the access line for non-residence customers results in BLES rates ranging from \$24.40 to \$28.90.
21. The combination of higher network access line rates and the lack of a flat rate option for usage results in non-residence retail rates that are substantially greater than residence retails rates.

¹⁰ Non-residence Message Rate Service contains a call allowance of 73 local messages per month, with each additional local message charged at \$0.08.

22. Residential customers of CBT have the choice of flat rate or measured rate service. Flat rate service includes a flat monthly charge for the access line and unlimited usage. Measured rate service includes a basic monthly charge for the access line and usage charges based on the number, distance, duration, and time-of-day of each local call. The fixed monthly rate for both services varies based on the rate band in which the customer is located as follows:

<u>Residence Service</u>	<u>Flat Rate</u>	<u>Measured Rate</u>
Rate Band 1	\$16.75	\$8.80
Rate Band 2	\$17.95	\$9.25
Rate Band 3	\$18.95	\$9.75

23. As with CBT's residence BLES rates, CBT's non-residence BLES customers can choose between flat rate and measured rate service and the fixed rates for both services vary depending upon the rate band in which the customer is located as follows:

<u>Non-Residence Service</u>	<u>Flat Rate</u>	<u>Measured Rate</u>
Rate Band 1	\$46.25	\$30.25
Rate Band 2	\$48.00	\$32.00
Rate Band 3	\$49.75	\$33.75

24. In addition, measured rate service includes a usage component that is dependent on the calls made during the month.
25. The structure of CBT's residence and non-residence BLES rates is the same in that both vary depending upon rate band and flat rate and measured rate service

are available to both residential and non-residential customers. The noticeable difference between CBT's residence and non-residence retail BLES rates is that non-residence rates are substantially higher than residence rates.

GEOGRAPHIC MARKET – PHASE II

26. Attachment KLH-2 was prepared in Phase II of the PUCO's proceedings, which for SBC Ohio was the 04-34 proceeding. It includes maps, albeit rudimentary, showing SBC Ohio's originally proposed MSAs with the PUCO-defined 23 markets for SBC Ohio overlaid onto each MSA. These maps, of which there are five, one for each MSA, indicate the market number (1 through 23), the name of the exchanges in each market, and the identity of each wire center in each market. I also prepared another local calling analysis based on the geographic markets tentatively determined by the PUCO in 03-2040.
27. The local calling analysis was performed for all SBC Ohio markets that encompassed more than one exchange. These markets included: 3, 4, 6, 7, 8, 12, 13, 18, 19, and 23. In markets 4, 6, 8, 12, 19, and 23, there was flat rate local calling among all exchanges in each market, therefore, there were no local calling issues for these markets. However, in markets 3, 7, 13, and 18, there were some

exchanges that had very different local calling than other exchanges within the market.¹¹

28. The local calling analysis of markets 7 and 13 are presented here due to SBC Ohio's challenge to impairment in those markets.
29. In market 7, which is east of Cleveland and runs north to south, the Kirtland and Chesterland exchanges, which are located in the geographic middle of this market, have flat rate local calling to each other. However, as can be seen on Schedule KLH-3, neither of the exchanges to the south of Chesterland (Bedford and Chagrin Falls) have local calling to the Kirtland exchange or the exchanges to the north of Kirtland (Mentor, Painesville, and Leroy). Likewise, the exchanges to the north of Kirtland do not have local calling to the Chesterland exchange or the exchanges to the south of Chesterland. See Attachment KLH-3.
30. In market 13, which is south of Columbus and runs east to west, all of the exchanges to the immediate south of Columbus have flat rate local calling to each other. These exchanges include Hilliard, Alton, West Jefferson, Harrisburg, Grove City, Lockbourne, and Canal Winchester. However, the three exchanges to the west of the exchanges immediately south of Columbus (London, South Solon, and Sedalia) do not have local calling to all of these "south of Columbus" exchanges or to the exchanges that are east of the "south of Columbus" exchanges. Likewise,

¹¹ According to the *TRO*, the geographic market definitions used in the trigger analysis must be used for all of its analysis. If SBC Ohio decides subsequently to present a potential competition analysis, the geographic market definition adopted here would apply. Therefore, the same local calling principles applied to markets 7 and 13, for which SBC Ohio is challenging the national impairment finding, should be applied to markets 3 and 18, for which SBC Ohio is not currently challenging the national finding. See *TRO* at ¶495 and footnote 1540.

the exchanges to the east of the "south of Columbus" exchanges (Rushville, Carroll, Sugar Grove and Lancaster) do not have local calling to all of these "south of Columbus" exchanges or to the exchanges that are west of the "south of Columbus" exchanges. See Attachment KLH-4.

31. The results of this local calling analysis supported the recommendations of OCC, as discussed in the Affidavit of Ben Johnson, to further subdivide markets 7 and 13.
32. OCC recommended dividing market 7 into two separate markets with the two southern-most wire centers comprising one market, market 7 south, and the rest of the wire centers comprising another market, market 7 north. This division addressed part of the local calling issues in the PUCO-defined market 7 in that there was no local calling from the northern-most exchanges of market 7 to the southern-most exchanges.
33. OCC also recommended dividing market 13 into four markets: market 13 north, market 13 central, market 13 west and market 13 east. The local calling analysis supported this type of market division also, because the eastern exchanges of the PUCO-defined market 13 could not call the northern exchange, all of the central exchanges, or any of the western exchanges. Most of the western exchanges also could not call the northern exchange or all of the central exchanges. In addition, the western exchanges could not call any of the eastern exchanges. The division of market 13 into four separate markets addressed the local calling issues in market 13, as it was defined by the PUCO.

SBC OHIO IMPAIRMENT ANALYSIS

34. In Case No. 04-34-TP-COI ("04-34"), the PUCO required SBC Ohio and all CLECs in Ohio to respond to a variety of information requests. The information was to be used to determine whether CLECs serving mass market customers were impaired in any of SBC Ohio's geographic markets, as determined tentatively by the PUCO,¹² without access to local circuit switching.
35. The OCC also received a variety of information in response to its own data requests served on SBC Ohio and many Ohio CLECs in the 04-34 proceeding.
36. OCC analyzed the information provided by SBC Ohio and CLECs in response to the PUCO's data requests and the OCC's data requests to determine, for each SBC Ohio geographic market for which SBC Ohio challenged the national finding of impairment for local circuit switching, how many CLECs met the self-provisioning trigger.
37. SBC Ohio challenged the national finding of impairment for 10 of its 23 geographic markets set by the PUCO. Those 10 markets include 1 and 2 (Akron), 5, 6 and 7 (Cleveland), 11, 12 and 13 (Columbus), and 16 and 17 (Dayton). SBC Ohio based its challenge on the claim that the self-provisioning trigger was met in all 10 of these markets. SBC Ohio asserted that at least three CLECs in each of

¹² The PUCO determined geographic markets to be used in the local circuit switching impairment analysis for SBC Ohio in its Opinion & Order dated January 14, 2004 in Case Nos. 03-2040-TP-COI, 04-34-TP-COI and 04-35-TP-COI. [http://dis.puc.state.oh.us/CMPDFs/SIY7\\$JQHWDI6IL\\$W.pdf](http://dis.puc.state.oh.us/CMPDFs/SIY7$JQHWDI6IL$W.pdf)

these markets were “using their own switches to provide voice service to mass market customers in each SBC Ohio wire center within the proposed market.”¹³

38. Some of the responses to the Staff and OCC data requests supported SBC Ohio’s claims, and some did not. SBC Ohio’s claims appeared to agree with information provided by AT&T, ChoiceOne, CoreComm, and McLeod although there are some small discrepancies regarding the specific wire centers these carriers served and the exact number of mass market lines they served.¹⁴
39. In contrast, whereas SBC Ohio counted Comcast, ICG, KMC, NuVox, Sprint Communications, WorldCom, and XO, OCC recommends none of these CLECs count toward the trigger. See the Affidavit of Ben Johnson.
40. In addition, SBC Ohio counted Allegiance toward the trigger in various markets even though XO, which is also a CLEC in various SBC Ohio markets, has purchased the assets of Allegiance.¹⁵ If XO is not counted toward the trigger because it *** ** and it *** **, ¹⁶ then because XO purchased the assets of Allegiance, and presumably the business plan of XO will be followed, Allegiance also should not be counted toward the trigger.

¹³ Case No. 04-34-TP-COI, Direct Testimony of William C. Deere, pages 1 and 6.

¹⁴ Discrepancies in the number of CLEC lines served in a particular wire center may be attributable to different time periods used by SBC and various CLECs to report this data.

¹⁵ See filing by Qwest and Allegiance Telecom, Inc. dated February 20, 2004, in PUCO Case No. 04-78-TP-ATR; Request for Dismissal of Telecommunications Application Form Regarding Proposed Transaction Between Allegiance Telecom, Inc., Debtor-in-Possession and Qwest Communications International Inc. Accessible at <http://dis.puc.state.oh.us/CMPDFs/O0TMRYVPASI7XMCI.pdf>

¹⁶ PUCO Case No. 04-34-TP-COI, XO response to OCC discovery, 1st Set, Interrogatory No. 1.

41. Finally, SBC Ohio counted LDMI toward the trigger even though LDMI stated *** and that ***.¹⁷ Thus, LDMI should not be counted toward the trigger.
42. The result of not counting these CLECs toward the trigger is that there were fewer than three CLECs providing service to mass market customers using their own switches in several of the markets for which SBC Ohio challenged the impairment finding. Thus, there actually was impairment in those markets.
43. Based on the geographic markets as tentatively defined by the PUCO, I have prepared Confidential Attachment KLH-5, which shows, for each of the 10 markets in which SBC Ohio challenged the impairment finding, the CLECs that SBC Ohio identified in each market as self-providers of switching to mass market customers, in other words, CLECs that SBC Ohio counted toward meeting the trigger. The Attachment also shows the CLECs that OCC did not count toward meeting the trigger for the reasons stated above. In addition, consistent with OCC's recommendation that the mass market be subdivided between residential and small business customers, the Attachment shows CLECs that OCC counted toward the trigger under an assumption that the mass market includes both small business and residential lines and under an assumption that the mass market is subdivided. The last column of the Attachment reflects CLECs that OCC counted toward meeting the trigger for residential lines only.

¹⁷ PUCO Case No. 04-34-TP-COI, LDMI response to Staff Information Request No. 12c.

44. In summary, Confidential Attachment KLH-5 shows that for small business and residential customers taken together as the mass market, the markets in which OCC believes there may be no impairment for mass market business customers are markets 5, 11, and 12. The Attachment also shows that for residential customers as a discreet subdivision of the mass market, CLECs are impaired without access to unbundled local switching in all of SBC Ohio's contested markets because there are not three or more CLECs serving residential customers with their own switches.
45. I have also prepared Confidential Attachment KLH-6. This Attachment shows Markets 7 and 13 further subdivided based on OCC's recommendations. See Affidavit of Ben Johnson. This Attachment shows the CLECs that SBC Ohio identified in each market as self-providers of switching to mass market customers, in other words, CLECs that SBC Ohio counted toward meeting the trigger in each market as further subdivided by OCC. The Attachment also shows the CLECs that OCC did not count toward meeting the trigger for the reasons stated above. In addition, consistent with OCC's recommendation that the mass market be subdivided between residential and small business customers, the Attachment shows CLECs that OCC counted toward the trigger under an assumption that the mass market includes both small business and residential lines and under an assumption that the mass market is subdivided. The last column of the Attachment reflects CLECs that OCC counted toward meeting the trigger for residential lines only.

46. In summary, Confidential Attachment KLH-6 shows that for small business and residential customers taken together as the mass market, the markets, as further subdivided by OCC, in which OCC believes there may be no impairment for mass market business customers are markets 5, 11 and 12. The Attachment also shows that for residential customers as a discrete subdivision of the mass market, CLECs are again impaired without access to unbundled local switching in all of the markets because there are fewer than three CLECs serving residential customers with their own switches.
47. Even though OCC's analysis with its further subdivision of markets 7 and 13 results in the identification of the same markets where there may be no impairment for mass market business customers as the PUCO-defined markets, the subdivision of these two markets is nevertheless important due to the unknown results in terms of which CLECs are ultimately counted toward the trigger by the FCC in its final determination of impairment for SBC Ohio.

Attachment KLH-1

**SBC Ohio Exchanges Included in MSAs
Calling into Metro Exchange**

MSA	County	SBC Exchange	Type of Calling into Metro Exchange
AKRON OH	<i>Portage</i>	Atwater Kent Mantua Mogadore Ravenna Rootstown	Measured Rate Flat Rate None Flat Rate
	<i>Summit</i>	Greensburg Manchester	Measured Rate Measured Rate Flat Rate Flat Rate
CLEVELAND / LORAIN / ELYRIA OH	<i>Cuyahoga</i>	Bedford	Flat Rate
		Berea	Flat Rate
		Brecksville	Flat Rate
		Chagrin Falls	Flat Rate
		Gates Mills	Flat Rate
		Hillcrest	Flat Rate
		Independence	Flat Rate
		Montrose	Flat Rate
		North Royalton	Flat Rate
		Olmsted Falls	Flat Rate
		Strongsville	Flat Rate
		Terrace	Flat Rate
		Trinity	Flat Rate
		Victory	Flat Rate
	<i>Geauga</i>	Burton	Measured Rate
	<i>Lake</i>	Chesterland	Flat Rate
		Kirtland	None
		Leroy	Measured Rate
		Mentor	None
		Painesville	None
		Wickliffe	Flat Rate
	<i>Lorain</i>	Willoughby	Flat Rate
	<i>Medina</i>	(a)	
		(a)	

See notes on page 3.

Attachment KLH-1

**SBC Ohio Exchanges Included in MSAs
Calling into Metro Exchange**

MSA	County	SBC Exchange	Type of Calling into Metro Exchange
COLUMBUS OH	<i>Delaware</i>	(b)	Measured Rate
	<i>Fairfield</i>	Carroll	None
		Lancaster	None
		Rushville	None
		Sugar Grove	None
	<i>Franklin</i>	Alton	Flat Rate
		Canal Winchester	Flat Rate
		Dublin	Flat Rate
		Gahanna	Flat Rate
		Grove City	Flat Rate
		Groveport	Flat Rate
		Harrisburg	Flat Rate
		Hilliard	Flat Rate
		Lockbourne	Flat Rate
		New Albany	Flat Rate
		Reynoldsburg	Flat Rate
		Westerville	Flat Rate
		Worthington	Flat Rate
	<i>Licking</i>	(b)	Measured Rate
	<i>Madison</i>	London	None
		Sedalia	None
		South Solon	None
		West Jefferson	Flat Rate
	<i>Pickaway</i>	New Holland	None
DAYTON OH	<i>Greene</i>	Beavercreek	Flat Rate
		Bellbrook	Flat Rate
		Bowersville	None
		Cedarville	Measured Rate
		Fairborn	Flat Rate
		Jamestown	Measured Rate
		Spring Valley	Flat Rate
		Xenia	Flat Rate
		Yellow Springs-Clifton	Flat Rate
	<i>Miami</i>	Fletcher-Lena	None
		Piqua	None
	<i>Montgomery</i>	Miamisburg-W. Carrollton	Flat Rate
		Vandalia	Flat Rate
	<i>Preble</i>	(a)	
See notes on page 3.			

Attachment KLH-1

**SBC Ohio Exchanges Included in MSAs
Calling into Metro Exchange**

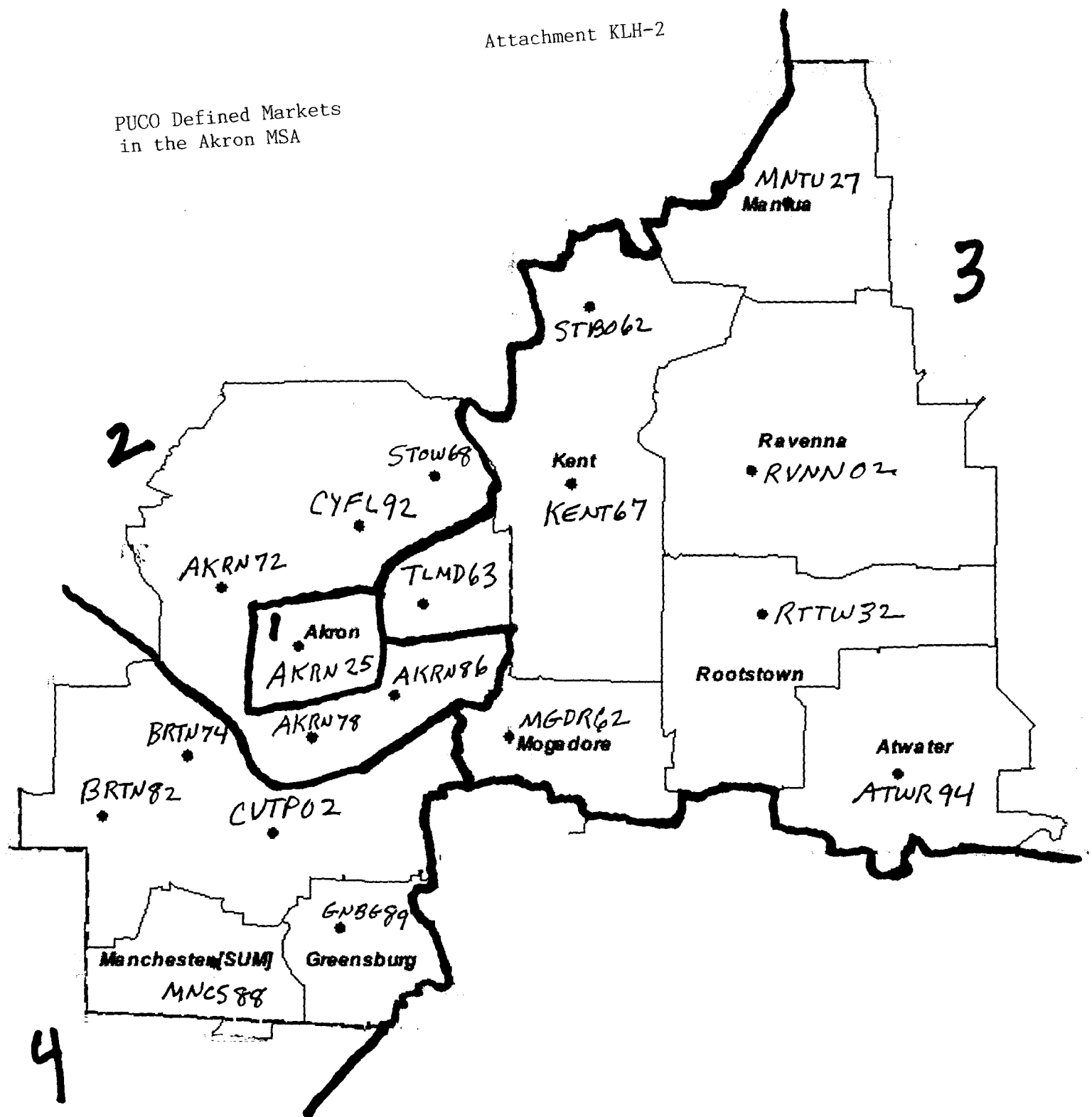
MSA	County	SBC Exchange	Type of Calling into Metro Exchange
TOLEDO OH	<i>Fulton</i>	(a)	
	<i>Lucas</i>	Holland	Flat Rate
		Maumee	Flat Rate
		Whitehouse	Flat Rate
	<i>Ottawa</i>	(a)	
	<i>Wood</i>	Perrysburg	Flat Rate
SPRINGFIELD OH (c)	<i>Clark</i>	Donnelsville	Flat Rate
		Enon	Flat Rate
		Medway	Flat Rate
		New Charlisle	Flat Rate
		North Hampton	Flat Rate
		Pitchin	Flat Rate
		South Charleson	Flat Rate
		South Vienna	Flat Rate
		Tremont City	Flat Rate

(a) County contains no SBC service areas.

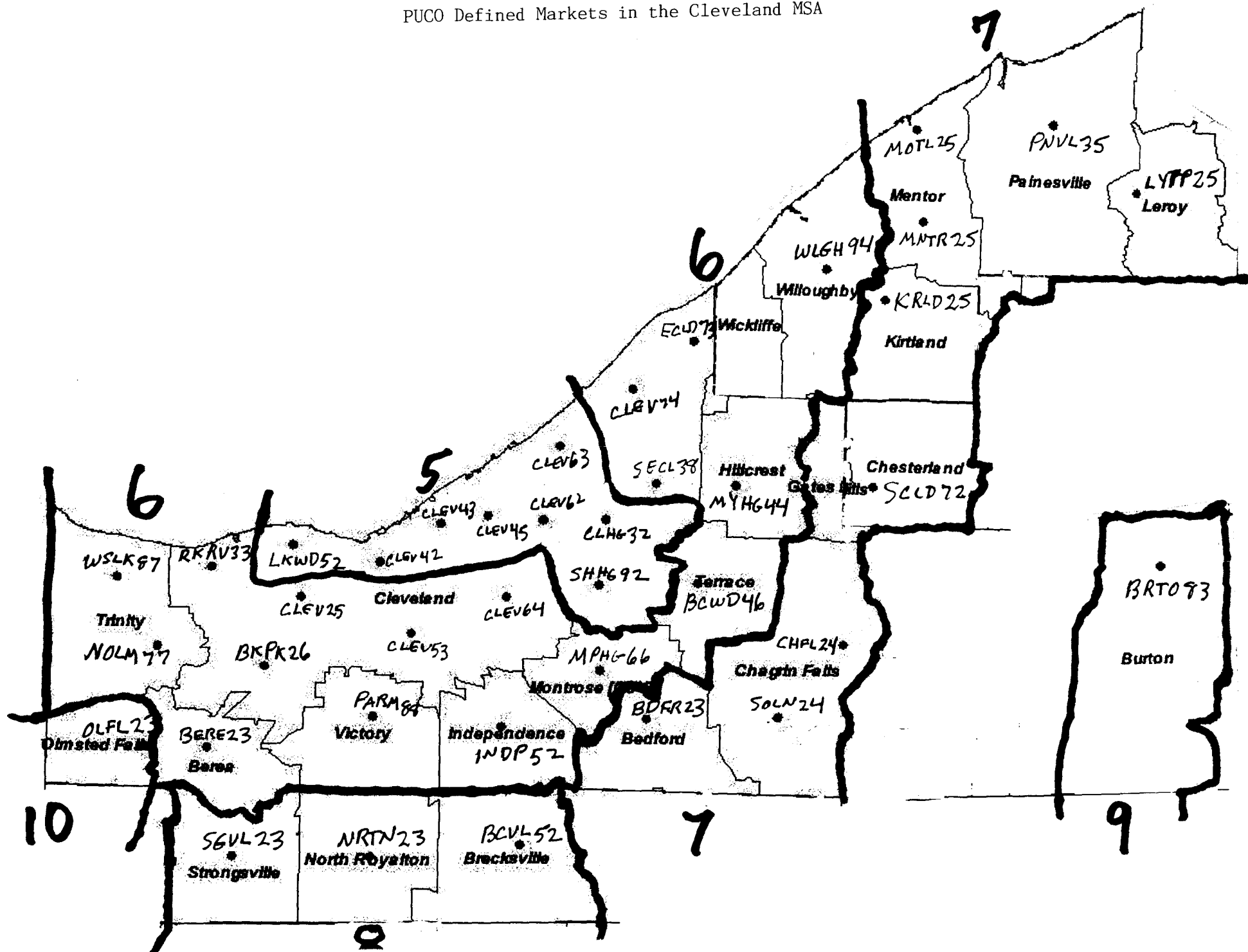
(b) Delaware County and Licking County contain SBC service areas, but no SBC wirecenters.

(c) Springfield OH is a separate MSA from the Dayton OH MSA according to the Office of Management and Budget's (OMB) post-June 2003 identification. SBC Ohio uses OMB's pre-June 2003 MSA identification in its October 17 Petition. The following Springfield OH exchanges have flat rate local calling to the Dayton metro exchange: Donnelsville, Enon, Medway and New Charlisle. The following Springfield exchanges have no local calling to the Dayton metro exchange: North Hampton, Pitchin, S. Charleston, S. Vienna and Tremont City.

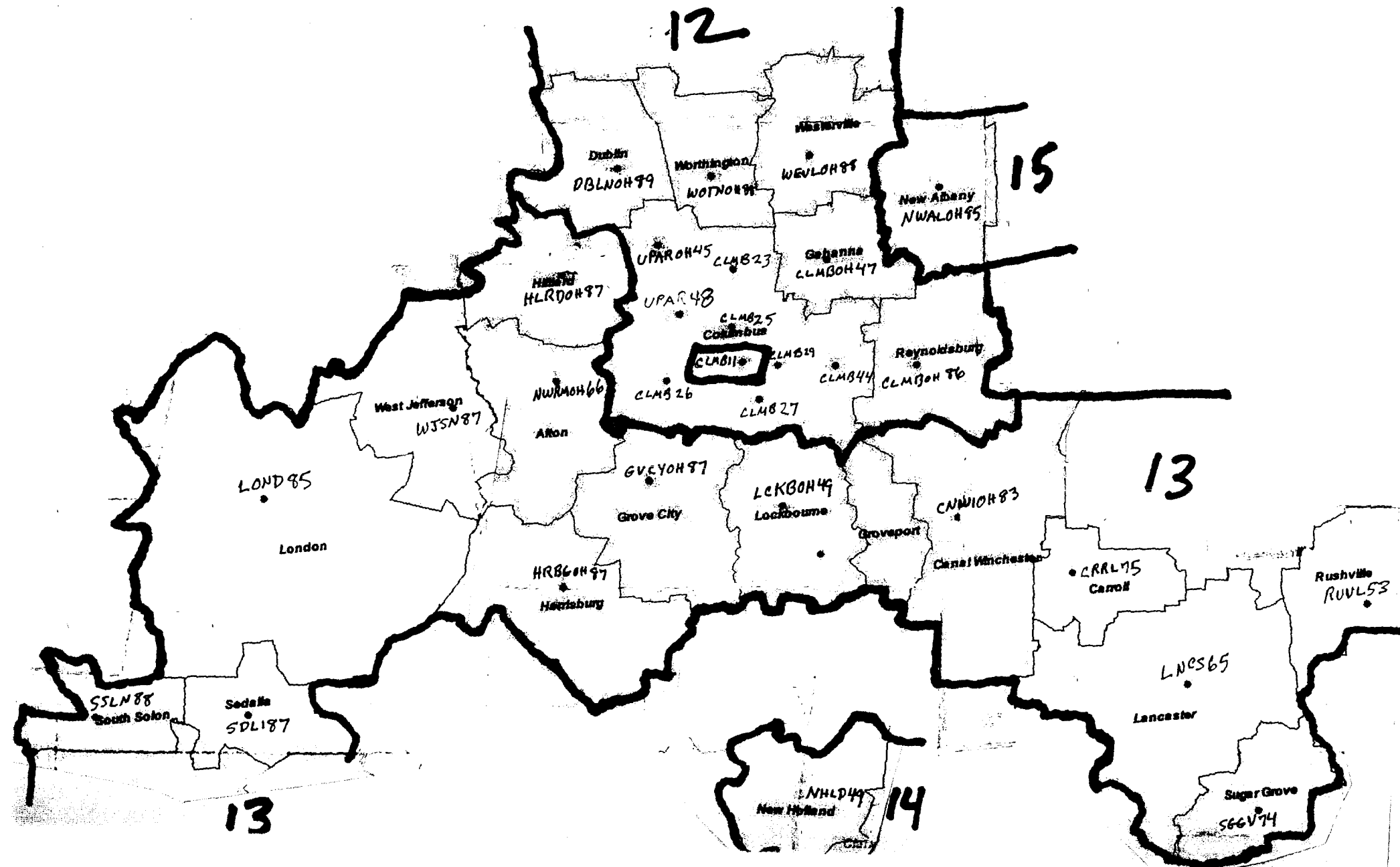
PUCO Defined Markets
in the Akron MSA



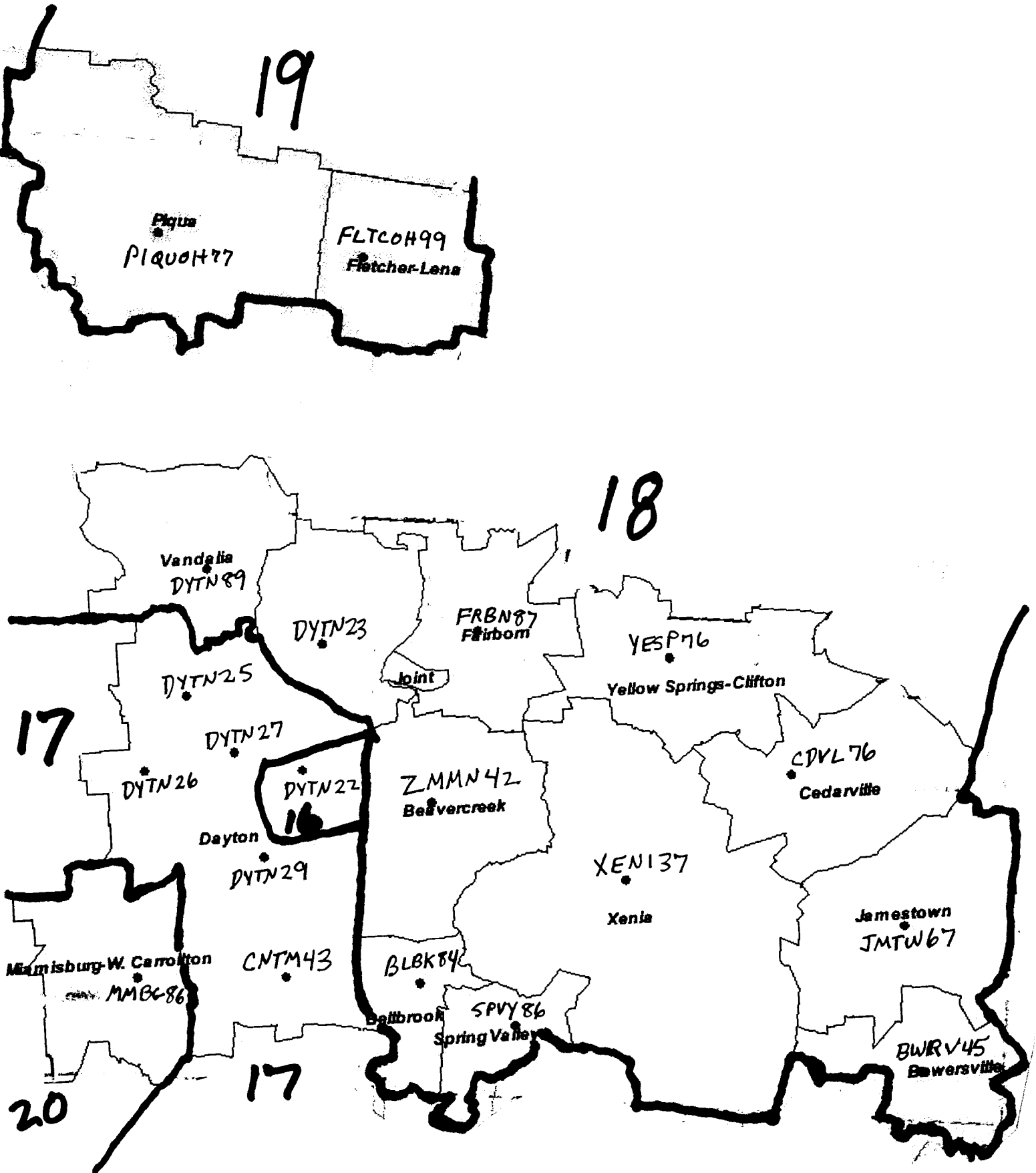
PUCO Defined Markets in the Cleveland MSA



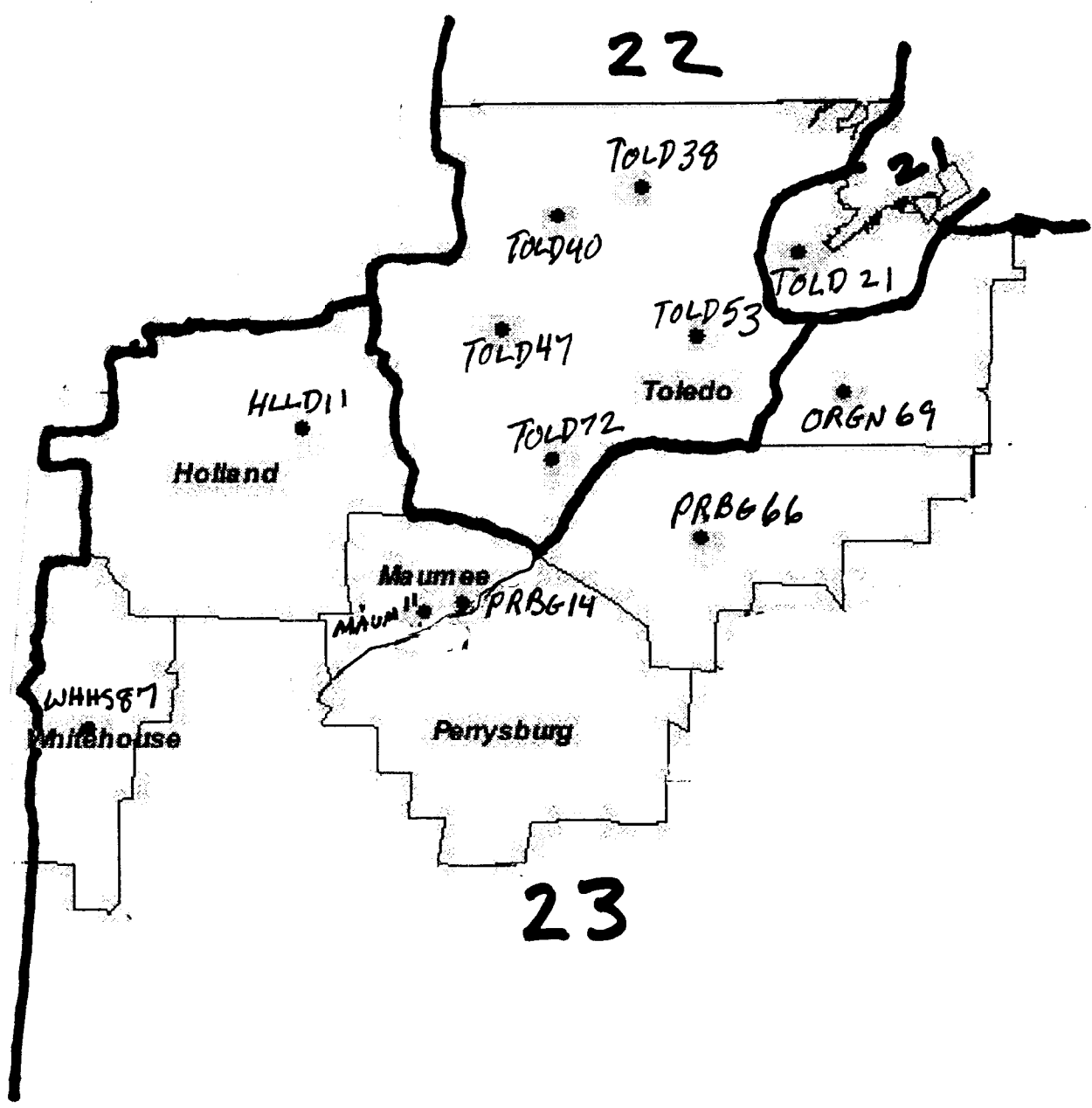
PUCO Defined Markets in the Columbus MSA



PUCO Defined Markets in the Dayton MSA



PUCO Defined Markets in the Toledo MSA



Attachment KLH-3

Market 7

Market	Exchange	Wire Center	Flat Rate Calling to:	MEAS Calling to:	No EAS Calling to:
7	Bedford	BDFROH23	Chagrin Falls Chesterland		Kirtland Mentor Painesville Leroy
7	Chagrin Falls	CHFLOH24 SOLNOH24	Bedford Chesterland		Kirtland Mentor (a) Painesville Leroy
7	Chesterland	SCLDOH72	Chagrin Falls Kirtland Bedford		Mentor Painesville Leroy
7	Kirtland	KRLDOH25	Chesterland Painesville Mentor		Leroy Chagrin Falls (b) Bedford (b)
7	Mentor	MOTLOH25 MNTROH25	Kirtland Painesville	Leroy	Chesterland Chagrin Falls Bedford
7	Painesville	PNVLOH35	Mentor Leroy Kirtland		Chesterland Chagrin Falls Bedford
7	Leroy	LYTPOH25	Painesville	Mentor	Kirtland Chesterland Chagrin Falls Bedford

(a) Chagrin Falls has optional EAS to Mentor as part of an EAS pilot.

(b) Kirtland has optional EAS to Chagrin Falls and Bedford as part of an EAS pilot.

Attachment KLH-4

Market 13

Market	Exchange	Wire Center	Flat Rate Calling to:	No Extended Area Service Calling to:	
13	South Solon	SSLNOH88	London Sedalia	West Jefferson Hilliard Alton Harrisburg Grove City Lockbourne	Canal Winch Carroll Lancaster Rushville Sugar Grove
13	Sedalia	SDLIOH87	London South Solon	West Jefferson Hilliard Alton Harrisburg Grove City Lockbourne	Canal Winch Carroll Lancaster Rushville Sugar Grove
13	London	LONDOH85	South Solon Sedalia West Jefferson Alton Harrisburg	Hilliard Grove City Lockbourne Canal Winch	Carroll Lancaster Rushville Sugar Grove
13	West Jefferson	WJSNOH87	London Hilliard Alton Harrisburg Grove City Lockbourne Canal Winch	South Solon Sedalia Carroll	Lancaster Rushville Sugar Grove
13	Hilliard	HLRDOH87	West Jefferson Alton Harrisburg Grove City Lockbourne Canal Winch	South Solon Sedalia London Carroll	Lancaster Rushville Sugar Grove
13	Alton	NWRMOH66	London West Jefferson Hilliard Harrisburg Grove City Lockbourne Canal Winch	South Solon Sedalia Carroll	Lancaster Rushville Sugar Grove
13	Harrisburg	HRBGOH87	London West Jefferson Hilliard Alton Grove City Lockbourne Canal Winch	South Solon Sedalia Carroll	Lancaster Rushville Sugar Grove

Attachment KLH-4

Market 13

Market	Exchange	Wire Center	Flat Rate Calling to:	No Extended Area Service Calling to:	
13	Grove City	GVCYOH87	West Jefferson Hilliard Alton Harrisburg Lockbourne Canal Winch	London South Solon Sedalia Carroll	Lancaster Rushville Sugar Grove
13	Lockbourne	LCKBOH49	West Jefferson Hilliard Alton Harrisburg Grove City Canal Winch	London South Solon Sedalia Carroll	Lancaster Rushville Sugar Grove
13	Canal Winch	CNWIOH83	West Jefferson Hilliard Alton Harrisburg Lockbourne Grove City Carroll Lancaster	London South Solon Sedalia	Rushville Sugar Grove
13	Carroll	CRRLOH75	Canal Winch Lancaster	Rushville Sugar Grove London South Solon Sedalia West Jefferson	Hilliard Alton Harrisburg Grove City Lockbourne
13	Lancaster	LNCSOH65	Canal Winch Carroll Rushville Sugar Grove	London South Solon Sedalia West Jefferson Hilliard	Alton Harrisburg Grove City Lockbourne
13	Rushville	RUVLOH53	Lancaster	Carroll Sugar Grove London South Solon Sedalia West Jefferson	Hilliard Alton Harrisburg Grove City Lockbourne Canal Winch
13	Sugar Grove	SGGVOH74	Lancaster	Carroll Rushville London South Solon Sedalia West Jefferson	Hilliard Alton Harrisburg Grove City Lockbourne Canal Winch

Confidential Attachment KLH-5

Trigger Analysis-Based on PUCO-Ordered Geographic Markets for SBC

Markets Where SBC Challenges Impairment	CLECs Identified by SBC Ohio as Meeting the Trigger (a)	CLECs not Counted Toward Trigger by OCC (b)	CLECs Counted Toward Trigger by OCC	
			If Mass Market Includes both Small Business & Residential	If Mass Market Includes Only Residential
1				
2				
5				
6				
7				
11				

See Notes on page 2.

Confidential Attachment KLH-5

Trigger Analysis-Based on PUCO-Ordered Geographic Markets for SBC

Markets Where SBC Challenges Impairment	CLECs Identified by SBC Ohio as Meeting the Trigger (a)	CLECs not Counted Toward Trigger by OCC (b)	CLECs Counted Toward Trigger by OCC	
			If Mass Market Includes both Small Business & Residential	If Mass Market Includes Only Residential
12				
13				
16				
17				

(a) SBC Ohio's response to OCC Interrogatory No. 1 and Deere Testimony Attachment WCD-MMS-4, in PUCO Case No. 04-34-TP-COI.

(b) **Allegiance** - was purchased by XO which ***
*** and *** **.

AT&T - *** **.

Comcast - provides service to mass market customers using its own loops and is not combining its own switching with SBC Ohio's loops.

ICG - stated *** **.

KMC - stated *** **.

LDMI - stated that its ***

*** and that it *** **.

NuVox - stated ***

***.

Sprint Communications - stated that ***

***. In addition, Sprint

Communications served *** ** in the wire centers in which it operates.

WorldCom - stated *** **.

XO - stated that it *** ** and it ***

***.

(c) ChoiceOne indicated it *** **

even though SBC Ohio did not indicate ChoiceOne as a provider in that market.

Confidential Attachment KLH-6

Trigger Analysis-Based on PUCO-Ordered Geographic Markets for SBC

Markets Where SBC Challenges Impairment	CLECs Identified by SBC Ohio as Meeting the Trigger (a)	CLECs not Counted Toward Trigger by OCC (b)	CLECs Counted Toward Trigger by OCC	
			If Mass Market Includes both Small Business & Residential	If Mass Market Includes Only Residential
1				
2				
5				
6				
7 South				
7 North				
11				
12				

See Notes on page 2.

Confidential Attachment KLH-6

Trigger Analysis-Based on PUCO-Ordered Geographic Markets for SBC

Markets Where SBC Challenges Impairment	CLECs Identified by SBC Ohio as Meeting the Trigger (a)	CLECs not Counted Toward Trigger by OCC (b)	CLECs Counted Toward Trigger by OCC	
			If Mass Market Includes both Small Business & Residential	If Mass Market Includes Only Residential
12 cont.				
13 North				
13 Central				
13 West				
13 East				
16				
17				

(a) SBC Ohio's response to OCC Interrogatory No. 1 and Deere Testimony Attachment WCD-MMS-4, in PUCO Case No. 04-34-TP-COI.

(b) **Allegiance** - was purchased by XO which ***

*** and *** **.

AT&T - *** **.

Comcast - provides service to mass market customers using its own loops and is not combining its own switching with SBC Ohio's loops.

ICG - stated *** **.

KMC - stated *** **.

LDMI - stated that its ***

*** and that it *** **.

NuVox - stated ***

***.

Sprint Communications - stated that ***

***. In addition, Sprint

Communications served *** ** in the wire centers in which it operates.

WorldCom - stated *** **.

XO - stated that it *** ** and it ***

***.

(c) ChoiceOne indicated it *** provided service to 311 mass market lines in one wire center in Market 16*** even though SBC Ohio did not indicate ChoiceOne as a provider in that market.

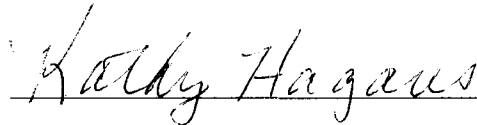
STATE OF OHIO

COUNTY OF FRANKLIN

The undersigned, being of lawful age and duly sworn on oath, hereby certifies, deposes and stated the following:

I have caused to be prepared the attached written affidavit in support of the Ohio Consumers' Counsel in the above referenced docket. This affidavit is true and correct to the best of my knowledge, information, and belief.

Further Affiant sayeth not.



Kathy Hagans, Affiant

Subscribed and sworn to before me this 4th day of October 2004.

